

ENTERED

November 14, 2016

David J. Bradley, Clerk

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION****WESTERNGECO LLC, *et al*,****Plaintiffs,****VS.****ION GEOPHYSICAL CORPORATION, *et al*,****Defendants.**§
§
§
§
§
§
§
§**CIVIL ACTION NO. 4:09-CV-1827****ORDER**

Pending before the Court are WesternGeco L.L.C.'s ("WesternGeco") Motion to Enforce Royalty Damages (Doc. No. 696), ION Geophysical Corporation's ("ION") Motion for a Stay, or for Relief under Federal Rule of Civil Procedure 60(b)(6) (Doc. No. 700), and Arch Insurance Company and Westchester Fire Insurance Company's ("the Sureties") Motion to Release/Discharge Supersedeas Bond Relative to Liability for Lost Profits Damages Reversed on Appeal (Doc. No. 721).

On May 4, 2016, United States Magistrate Judge Dena Hanovice Palermo issued an Order and Report and Recommendation (R&R) recommending that the Court issue a final judgment, recommending that ION's motion for relief be denied, ordering that WesternGeco's motion be granted, ordering that the Sureties' motion be denied, and ordering that ION's motion for a stay be denied. (Doc. No. 725.) Defendant and the Sureties timely filed Objections to, and appealed, Judge Palermo's Order and R & R (Doc. Nos. 726 & 727). Plaintiff filed a Response (Doc. No. 729), and a hearing was held.


As required by 28 U.S.C. § 636(b)(1)(C), the Court has conducted a de novo review of the portions of the R & R to which Defendant and the Sureties objected. Additionally, as

required by 28 U.S.C. § 636(b)(1)(A), the Court has reviewed the objected-to portions of the Order under the clearly erroneous standard. The Court agrees with the conclusions, and the reasoning, of the Order and R & R, with two exceptions. First, the Court will not enter a final judgment in the case until after enhanced damages have been considered, in accordance with the Federal Circuit mandate. (Doc. No. 748.) Additionally, the Court releases the Sureties from the supersedeas bond inasmuch as it covers ION's exposure over \$65,000,000.

Accordingly, the Court **PARTIALLY AFFIRMS** the Order and **ADOPTS** the R & R. WesternGeco's Motion To Enforce Royalty Damages against the Sureties is **GRANTED**, ION's Motion for Stay or for Relief under Rule 60 is **DENIED**, and the Sureties Motion for Release from Bond is **PARTIALLY GRANTED**.

IT IS SO ORDERED.

SIGNED in Houston, Texas, on this the ^{10th}~~9th~~ day of November, 2016.



KEITH P. ELLISON
UNITED STATES DISTRICT JUDGE